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MONTHLY REPORT

(WITH KONTUM PROVINCE ANNEX)



THE SITUATION IN SOUTH VIETNAM

2 April 1965

ARMY and DOS review(s) completed.

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COORDINATING

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I. SOUTH VIETNAM MONTHLY SITUATION REPORT

A. POLITICAL SITUATION

- 1. For the first time since the ouster of the Diem regime, the progressive deterioration of the political situation seems to have been arrested during the past several weeks, and a new and more hopeful political atmosphere seems to be evolving in Saigon. Whether recent favorable developments will develop into a clear trend toward political stabilization will depend in large measure on continued cohesiveness within the government and the military leadership and on the present Buddhist-military-government rapprochement. The character of the United States commitment, which has contributed to a lift in Vietnamese morale, will also remain an important factor.
- The government of Prime Minister Quat, having survived the coup attempt of 19-20 February, its first crucial test within days after inauguration, has in a period of six weeks achieved what no previous government has been able to do: Quat and his principal advisors have gained the active support of the important Buddhist leaders, particularly Thich Tri Quang, and the majority of the military leaders. Equally important has been the Quat government's ability thus far to demonstrate political moderation and fair play toward the Catholic minority, even though many Catholics remain wary of Buddhist intentions and of Buddhist influence in government and among the military. Quat has established a government with broader and more balanced regional, religious, and political representation than any other to date and has kept open the government's contacts with the politically articulate sectors of the Vietnamese society to encourage their political

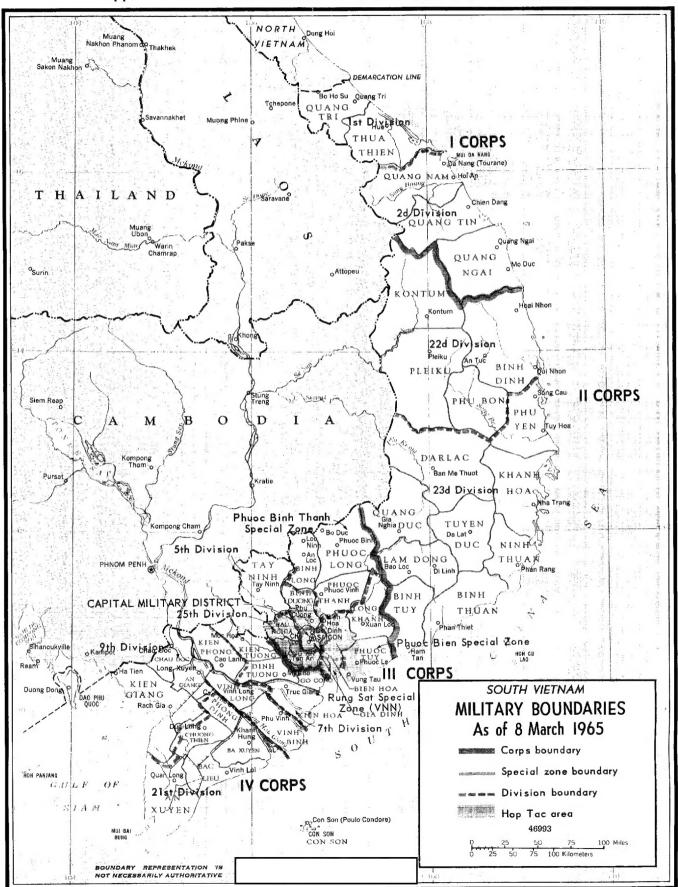
commitment to the present national emergency. Finally, Quat has created an "inner sanctum" within the cabinet composed of efficient and imaginative advisors, linked closely to himself, with greater unity of views and actions than has been demonstrated in any previous cabinet.

- Quat and his principal advisors, preoccupied with the overriding requirement to establish a working relationship with the military. Buddhist, and Catholic leaderships, have been able to devote relatively little time to the complexity of diverse substantive problems facing the government. Nevertheless, the energy and understanding displayed by the government thus far, as well as the limited number of positive actions already taken and the signs of improved morale both in and outside government circles. tend to suggest guarded optimism. While minimal pacification progress is evident, the government has now practically completed a review of its central pacification plan designed to revitalize the complex counterinsurgency effort. The government is also turning its attention to the increasingly serious refugee problem in the central and northern provinces and the need to improve the government's image with the peasantry, strengthen the central government's relationships. with the provincial and local bureaucracy, and clearly define the government's short-term and long-term objectives.
- 4. Despite the favorable developments of the past several weeks, it is by no means certain that the political situation in Saigon will further stabilize and still less certain that this stabilization would lead to an improvement in the critical security conditions prevailing in the countryside. The present working arrangements between the government, the Buddhists, and the military leadership are still fragile

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and could be destroyed by a coup, by a resurgence of political infighting within military, Buddhist, and government circles, by Buddhist or Catholic fears of government political favoritism, or by failure to arrest the deteriorating security situation.

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B. MILITARY SITUATION

1. During the month of March, the Viet Cong conserved their main forces by avoiding contact with major government units in the field. The relative lull in Viet Cong activities during the month appeared designed for replenishment, regroupment and repositioning of forces, and training. This resulted in a slight easing of Communist pressure throughout the nation. A resumption of Viet Cong pressures seems likely, probably beginning in April and carrying through well into the summer monsoon season which begins in May.

The next Viet Cong drive will probably be initiated on a nationwide scale but with primary emphasis in the II Corps area. Previous experience indicates that the campaign will be intensified gradually, employing primarily smallscale attacks and terrorism with the main emphasis on the populated countryside. Occasional spectacular attacks and terrorist actions will probably be attempted for maximum psychological impact on a war-weary nation, although larger populated centers which are surrounded by open terrain do not appear likely targets. Attacks and ambushes against individual government units are likely to increase. Recent reports of Viet Cong force build-ups suggests that the enemy may attempt to dominate the provinces of Kontum, Phu Yen, Khanh Hoa, and Darlac in the next few months. A renewal of major Communist efforts against lines of communications also seems likely.

2. The number of incidents initiated by the Viet Cong declined steadily during the month and reached the lowest point since the truce which marked Tet, the lunar new year celebration in early February. The lessened intensity of the war came at a time when the Viet Cong were making large gains in the northern and central

provinces, principally by small-scale terrorism, sabotage, and harassments. Armed attacks were few, and only six significant actions were reported, all in the first two weeks of the month. The Viet Cong ended the month by bombing the US Embassy in Saigon, causing heavy US and Vietnamese casualties and extensive damage to the chancery. The Viet Cong were quick to hail the bombing as a spectacular achievement.

- 3. As Viet Cong activity declined during March, so did the pressure against government forces. The respite from Viet Cong initiatives afforded the government an opportunity for a few offensive operations in an attempt to recoup recent losses, but the GVN forces had considerable difficulty in locating the enemy. Communist small-scale activities throughout the nation reflected no radical departure from established patterns but did serve notice of Viet Cong presence during a period of relative quiet.
- 4. Concurrent with the gradual decline in the war's intensity, there were many indications of an impending resumption of the Viet Cong military offensive. There have been numerous low-level reports—thus far without confirmation—that the Viet Cong were possibly moving cadre and units into central Vietnam and on the periphery of the Hop Tac area.

that the Communists were

Tying low and conducting training. A Viet Cong
document captured in Long An Province on 16 March
directed Viet Cong units in the province to complete all training by 10 April. This document,
which apparently implements instructions from a
higher Viet Cong headquarters, may partially explain the lull in enemy activities in the III
Corps zone, and possibly throughout the nation.
Other reports indicated the build-up of Viet Cong
units in the provinces east and northeast of
Saigon, in Kontum, and in the delta. Still other

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unconfirmed information over the past several weeks points toward Viet Cong plans to attack major population centers and government bases in numerous places from Quang Tin to Ba Xuyen provinces.

- Despite the decline, there has been no change in the relative balance of power, and the Viet Cong still exercise de facto control over large areas of the countryside. Major transportation routes in the coastal areas of II Corps remain blocked. Other routes throughout the nation are open, but travel is restricted by the need for military escort. The Viet Cong can interdict all major lines of communications at will. As with the February enemy offensive, the relative standdown of Communist activity is by Viet Cong initiative. Although some government operations have achieved limited successes in the field, major elements of the Viet Cong main and guerrilla force have eluded detection and destruction. The Viet Cong military capability remains unimpaired.
- The weather in South Vietnam will be an important factor in the anticipated Communist cam-The winter monsoon season, which brings daily downpours to the coastal areas east of the Chaine Annamitique, is ending. Toward the end of May, the summer monsoon will bring heavy rains to the delta and the mountainous interior. While many factors point to a renewed Viet Cong effort in I and II Corps coastal areas, the delta region-particularly around the Hop Tac area-- and the northern interior provinces are also logical focal points for an enemy offensive. The summer rains will somewhat reduce ARVN's advantage of mobility. The rains and increased cloud cover will tend to restrict flying time and impede vehicular traffic! foot movement by the more heavily laden South Vietnamese infantryman will be more difficult. Thus, with ARVN reaction capabilites reduced, the lightly armed and equipped enemy will probably take advantage of the weather to attack selected important targets, at the same time intensifying small-scale activities.

7. The latest COMUSMACV Viet Cong order of battle holdings show a further increase of enemy strength. Presently accepted figures are as follows:

Main Force

Regimental Headquarters	5
All battalions	53
Separate Companies	142
Separate Platoons	35
Hospital	1
Personnel Strength	38,460

Added to this is unconfirmed main force strength of about 8,000, and irregular strength of approximately 100,000, for a total enemy force of 146,460.

- 8. Additional evidence was received during the month pointing to the importance of sea routes for the infiltration of weapons to the Viet Cong. On 14 March, a junk was sunk off the Quang Tri Province coast; seventy-five Mauser rifles were subsequently recovered from the wreckage. On 16 March, another large arms cache was uncovered in the vicinity of Cape Varella. Investigation of this seizure indicates that it probably was not part of the 16 February cache but had probably been brought in by sea at an earlier date.
- 9. Government military operations during the month generally increased in number. Small-unit actions approximated 16,500 per week, and large-unit actions initiated averaged about 75 a week. The results were generally inconclusive; less than one per cent of the total, and less than half of the large unit actions made contact with

enemy forces. A few operations achieved some shortrange tactical victories during the month, principally
in the coastal regions of I and II Corps. Some
successes were achieved through sound leadership
and application of military doctrine, and some
were achieved through Viet Cong tactical miscues.
Despite the few successes, the Viet Cong generally
managed to avoid direct confrontations.

C. PACIFICATION

- 1. Nation-wide, the pacification effort produced mixed results this month, with little of significance noted that favored the government. Pacification remains stalled in the I Corps zone, while in II Corps there has been definite regression. The III Corps and IV Corps areas report limited progress, albeit scattered and minimal. Hop Tac continues to report slow but steady gains in its pacification program. Pacification plans for 1965 were finally approved by the ARVN High Command at the close of the month.
- 2. In I Corps, the main focus of attention remains on the refugee problem rather than on pacification. The Viet Cong have stepped up their campaign of terror against local officials in what appears to be an effort to eliminate the government presence completely. In Thua Thien Province, during the past month, 11 hamlet chiefs were either assassinated or kidnaped. Eighteen of the 31 assassinations and kidnapings of local officials in South Vietnam during March occurred in I Corps zone.

Five-hundred families are to be moved away from the airstrip at Da Nang in order to improve the security of that installation. Not unexpectedly, perhaps, there is confusion between the province and district chiefs involved about the authority and responsibility for this operation. US advisors are attempting to resolve the situation.

3. Pacification efforts suffered setbacks in Darlac and Kontum Provinces in II Corps area. Two government land development centers were attacked by the Communists in Darlac. In one center, the Viet Cong burned 100 houses; the other was temporarily occuped by them. In the course of relief operations which followed, the district chief of Ban Me Thuot was killed.

In Kontum Province, the Viet Cong occupied two New Life hamlets in areas which were reported to be pacified. The hamlets were located between Kontum city and Dak Sut district, on Route 14. This road is the main supply route north out of Kontum city.

4. In the III Corps region, aside from the Hop Tac area, positive results in the pacification effort were reported from Tay Ninh and Binh Long Provinces. In Tay Ninh, 14 hamlets were reported to be in the final stages of being pacified. Leaflets dropped on the Viet War Zone "C" urged villagers to move to governmentheld areas.

In Binh Long Province, a local CIDG force overran what appeared to be a Viet Cong district headquarters. Documents were captured which reportedly revealed the identies of the local Viet Cong political and military cadres.

5. The IV Corps zone showed some gains in pacification. A population exodus noted in Go Cong Province early in the month has apparently been reversed. Also in Go Cong, five additional hamlets were reported as being "completed" late in March.

The 21st Division operation to clear Route 4-P, running from Bac Lieu Province to Chuong Thien Province via Ba Xuyen Province, has made some modest gains.

6. Progress in the Hop Tac pacification effort remains steady, as ten more hamlets were "completed," bringing the total to 365, and gains apparently were made in the securing and building phases. Population in secured areas is now reported to be 934,000 (an increase of 6.500 since last week.)

Five newly-formed Regional Force companies have been sent to training centers. When they complete training, sometime in June, they will relieve ARVN units in the Hop Tac zone for expanded clearing operations.

Nine-hundred newly-trained national policemen were assigned to the Hop Tac area, bringing total police strength there to 5,404. The new police strength has reportedly increased the effectiveness of the Population and Resources Control program.

The damage caused by continuing Viet Cong attacks on some of the "completed" New Life hamlets in the Hop Tac area raises some question as to the validity of government ratings for these hamlets. The accomplishments of the Hop Tac program have not yet been tested by a full-scale Communist effort against the area.

- 7. At the 26 March joint meeting of the GVN Internal Security Council and the US Mission Council, a plan of the Social Welfare Minister to handle the refugee problem in I and II Corps zones was agreed on in principle. A joint GVN-US committee was appointed to expedite implementation of the plan. Organization of the pacification effort was considered, but action was deferred for at least one week, pending review by the GVN cabinet.
- 8. Province chiefs were recently evaluated by MACV and USOM on the basis of their performance. Ten province chiefs were rated outstanding in their performance of duty, five were considered inadequate, and the remainder were judged adequate.

D. ECONOMIC

- 1. The refugee problem in central Vietnam has grown increasingly serious. Since the upsurge of Viet Cong activity in early February, over 200,000 people have crowded into the cities of the northern and central coastal provinces and the number is expected to more than double over the next few months. The ability of the government to provide assistance has been complicated by the Viet Cong interdiction of land transportation routes, thus placing an added burden on the already overtaxed air and sealift capabilities.
- 2. Prime Minister Quat has taken a personal hand in the situation and has approved the creation of a Central Refugee Organization to deal with the refugee problem. USOM Saigon has developed plans to accelerate the dredging of ports, some of which were badly silted by the typhoon last November, and to construct new harbor facilities, warehouses, and access roads. Meanwhile, provincial authorities and private groups in the area are attempting to provide for the refugees' immediate needs for food, clothing, and shelter.

II. DEVELOPMENTS IN THE BLOC

A. Propaganda Response to the Air Strikes

- 1. The propaganda response from Hanoi and the Liberation Front to the past month's bombing of Communist military targets on both sides of the 17th parallel is still marked by defiant determination to drive the US out of Vietnam no matter how long it takes. The Liberation Front has recently promised to fight five, ten, or 20 years if necessary, and DRV propaganda echoes the same determination.
- The volume of rumors on Communist willingness to negotiate a settlement in Vietnam decreased this month. Both Hanoi and the Front publicly reiterated opposition to negotiations at the present time. A spokesman for the Front said in Peking on 8 March that negotiations are not possible "so long as there is a shadow of imperialism in Vietnam." The DRV Defense Minister. in an interview with a Japanese television delegation published on 10 March, said "the only way out" for the US at present lies in the withdrawal of US forces from South Vietnam. viets have indicated privately that as long as Hanoi maintains its present position, the USSR can do nothing to promote negotiations. French efforts to sound out Communist intentions and to promote negotiations have also reportedly been dropped for the present.

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fense preparations against	air attack in its
populated centers	
	that the North Vietnam-
ese regime is playing down	the effects of the
bombings among its people,	encouraging them to
stay on the job and conduc	t business as usual.

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Although the DRV is continuing civil de-

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B. Communist Volunteers in Vietnam

- The Viet Cong, through their political arm--the Liberation Front--made an appeal for international assistance in a long statement on 22 March, announcing that the Front is "ready to continue to receive all assistance, including weapons and war materiel, from the socialist countries and all peace-loving peoples throughout the world." The statement further declared that "if the US imperialists continue to send their troops and the troops of their satellites into South Vietnam and to expand the war to the north and to Laos, the NFLSV will call on the world peoples to send troops and youths to come and side with the South Vietnamese people." The statement also threatened that the Front "will call on the South Vietnamese who were regrouped north" to return to take up weapons to exterminate the enemy and save their country." This threat enables the Cong to justify past infiltration.
- Hanoi has publicized the "eagerness" of bloc youths to volunteer for service in Vietnam. and the readiness of regrouped Southerners to return south if they are called. On 27 March, the Fatherland Front, a regime propaganda organization, issued a statement affirming that the "struggle of the people in the two zones (North and South Vietnam) against US imperialism is being more closely coordinated than ever before. Presidium and Secretariat of the Fatherland Front Central Committee fully approve and warmly support the stand of the NFLSV in calling back, if need be, the sons and daughters of South Vietnam who have regrouped to the north." Hanoi has so far, however, avoided any public commitment to send native Northerners to South Vietnam, stressthat their duty is to defend the North.

- 3. Peiping's affirmative response to the Front call was summed up in a 28 March message from Communist China's Foreign Minister Chen I to his DRV counterpart. Chen I declared firm support for the 22 March statement of the NFLSV, and said that "the Chinese people will exert every effort to send the heroic South Vietnamese people the necessary material aid, including arms and all other war material, and stand ready to fight shoulder to shoulder with the South Vietnamese people whenever the latter so require."
- 4. Prior to the 22 March statement, the USSR had publicized the willingness of Soviet citizens to "volunteer" to go to Vietnam. Since the statement was issued, however, Moscow has virtually dropped its references to volunteers and has not responded officially to the 22 March call of the Liberation Front.
- 5. Pyongyang responded quickly to the call of the Liberation Front--through its unofficial Fatherland Front--on a contingent basis. If the NFLSV issues the call for volunteers, the North Korean people will respond, the North Korean regime declared.

C. Soviet Material Assistance

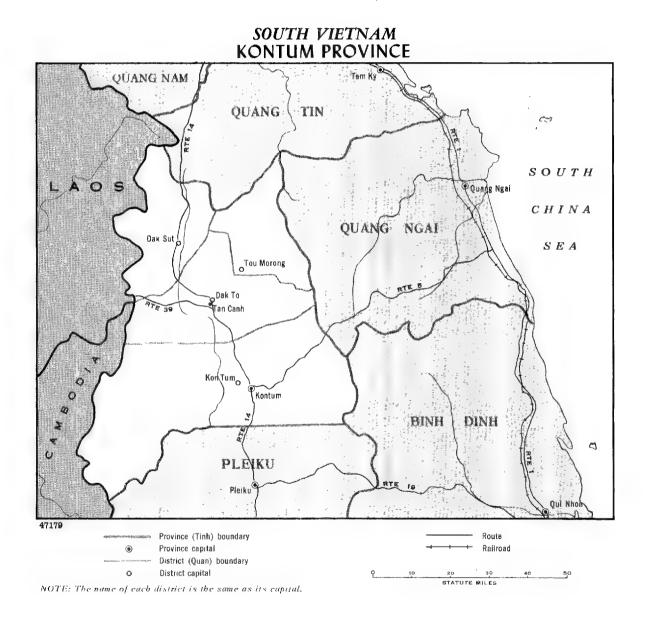
1. There is still no confirmation of Russian statements that Soviet defense equipment is either on its way to North Vietnam or has arrived. Soviet officials are privately accusing the Chinese of interrupting the flow of such assistance by refusing transit rights, but this action has not been confirmed.

III. THIRD COUNTRY DEVELOPMENTS

- 1. Some 2,000 South Korean troops have now arrived in Saigon marking the first sizable introduction of third country forces into South Vietnam. They have taken up positions outside Saigon in the Bien Hoa area. The Koreans have displayed high morale and enthusiasm, but their entry has failed to arouse any signs of enthusiasm in or outside the government. Moreover, Prime Minister Quat subsequently informed Ambassador Taylor that in view of the accelerated mobilization program, there is no present requirement to consider the introduction of third country ground combat forces.
- 2. In early March, Philippine Defense Secretary Peralta accepted the US proposal for pay and allowance for a second 35-man medical team. However, the GVN has not yet officially requested that such a team be sent and no further action has been taken. Nor has there been any further progress toward an agreement regarding the dispatch of a 2,300 man Philippine combat task force, although the agreement on pay and allowances for the medical team could provide a precedent for resolving outstanding financial problems. It now appears, however, that internal Philippine political issues and GVN apathy for further third country combatants may suspend negotiations for the near future.
- 3. The West German ambassador turned over the the GVN 30 fully equipped field ambulances, pledging (in contrast to previous non-commital statements West Germany's solidarity with South Vietnam in the struggle against Communism. Guatemala became the first Latin American country to contribute free world assistance with a gift of 15,000 doses of typhoid-paratyphoid vaccine.

- The plenary meeting of the "Indochinese Peoples Conference," (IPC) held in Phnom Penh closed on 9 March with three "unanimously" approved resolutions: one on Vietnam, which rejected negotiations and called for the ouster of the United States "imperialists" from the country; and one each on Laos and Cambodia, both of which urged international conferences to ensure the peace and neutrality of these countries. The conference also urged the establishment of a permanent IPC secretariat. In the meantime, Sihanouk reportedly has been disappointed by the failure of the Communist Vietnamese delegates to accept his proposals for a negotiated settlement in Vietnam for the recognition of the special rights of Cambodian minorities residing in South Vietnam. Nonetheless, Cambodian Foreign Minister Koun Wich on 15 March used the IPC's Cambodian resolution as the basis for notes to all members of the 1954 Geneva Conference, calling for a new conference on Cambodia as soon as possible. Hanoi, Peiping, and Paris have all responded favorably but thus far there has been no response from the Soviet Union or the United Kingdom.
- 5. The United Kingdom circulated unilaterally a majority ICC report prepared by India and Poland attacking United States air strikes against North Vietnam; the Soviet Union had refused to circulate it jointly with the British as a co-chairman of the Geneva Conference, presumably because of Hanoi's view that the report was not sufficiently critical of the US. The Canadian representative to the ICC submitted a minority report, also circulated by the British, attributing the crisis to North Vietnamese aggression against South Vietnam.
- 6. International reaction to the announcement of the use of nauseous gas in Vietnam was initially unfavorable, possibly in part because

of the lack of clarification in the press as to type of gas used. However, many friendly countries continue to express reservations about the use of nauseous gas; some pointing out that although use of gas may be justified, it is vulnerable to propaganda exploitation. In a very strong editorial, Asahi, Japan's largest newspaper, stated that the bombings of North Vietnam and particularly use of gas has given the impression that Asians are guinea pigs in chemical warfare tests. Japanese representatives to the United Nations reported that the gas issue had produced harsh and emotional criticism of the United States by Asian United Nations representatives.



ANNEX

SITUATION IN KONTUM PROVINCE

- 1. The Viet Cong in Kontum Province have improved their position significantly since the truce for the Tet holiday in early February. According to an 8 March airgram from a US Mission provincial reporter, they now are able to carry out operations against government forces on a considerably larger scale. Viet Cong activity for the past two years had consisted mainly of squad- or platoon-sized actions in support of infiltration and supply routes in and near Kontum Province. The newly increased tempo of operations and the probable presence of larger units indicate that Viet Cong strategy for this province has changed radically.
- The Viet Cong strength in Kontum ranges from five to eight battalions, according to Vietnamese estimates; advisors feel that a more realistic estimate may be three or four battalions. The most recent MACV assessment of Viet Cong strength in Kontum is 1,560. Main force strength is listed at 780 in two battalions The balance of 770 is in the guerand three companies. Some of this new main force strength rilla strength. is believed by the Vietnamese to have been introduced into Kontum from the DRV by way of Laos. There are reports that the Viet Cong are building a road into Kontum from Laos, presumably to increase infiltration and supply capability into the region.

Some substantiation of this new Viet Cong power in Kontum derives from the ambush and defeat of an ARVN battalion in early March by a force estimated by some American advisors to be as high as two Communist battalions. This Viet Cong force may have included ethnic North Vietnamese. It was armed with heavy weapons which have been noted in the province only since the Tet holidays. The Viet Cong unit also reportedly had female nurses who helped with the wounded.

3. Government regular forces in Kontum consist of two battalions of the 42nd Regiment of the 22nd Division. (The division headquarters, previously in

Kontum city, has recently moved to Binh Dinh.) These units are located in Tan Canh, a post situated on Route 14 about 28 miles northwest of Kontum city. Paramilitary strength is about 6,700--5,200 Regional Forces and 1,500 Popular Forces.

- Security in Kontum Province has deteriorated rapidly in the past two months under the impact of stepped-up Viet Cong activity and an increasingly defensive attitude by ARVN commanders. Operations out of Tan Canh post now must be conducted in two-battalion strength; at least one battalion, however, is required to protect the regimental headquarters at night. restrictions, imposed because of the strength of Communist forces, place serious limitations on ARVN opera-Route 14 from Kontum city to Dak To tional activity. district headquarters has been under harassment although motor traffic has not been halted. Pressure is being applied by the Viet Cong on both Dak Sut district headquarters and Dak Pek, a Special Forces camp further to the north. The ARVN has evidence indicating impending Viet Cong ambushes along Route 14 and has undertaken operations to keep this vital supply line to Dak Sut and Dak Pek open.
- Until recently the GVN had been making fairly good progress in its pacification efforts. appears that the pacification program has not only stalled, but that there is serious slippage as a result of growing Viet Cong strength and the GVN's inability to cope with it. The province chief, Lt Col. Nguyen Van Be, admits that the paramilitary forces at his disposal cannot match the Viet Cong main force units and that increasing reliance is being placed on the ARVN regular force. He now sees the function of his local forces as that of alerting ARVN to Viet Cong concentrations and letting ARVN engage them. defensive attitude reportedly is not confined to provincial officials alone. It is rife among command elements of the 22nd Division and may have spread to the corps echelon. A further disturbing note in the picture is that high ranking ARVN officers and wealthy merchants in Kontum and surrounding areas are sending their families to Dalat or Saigon for safety. Knowledge of this evacuation has added substantially to the anxiety of the population.

If the government continues to do nothing, either to provide security for the Montagnards or to give them the means to defend themselves, the goodwill which local officials have built up will be dissipated. The Montagnards in many parts of Kontum are intensely anti-Viet Cong, but if they feel they have been deserted by the government, they could well shift their loyalty.

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